GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:7788
ANSWERED ON:17.05.2002
TEX-STYLES INDIA - 2002
GANTA SRINIVASA RAO

Will the Minister of TEXTILES be pleased to state:

(a) the success of Tex-Styles India, 2002 organised by Indian Trade Promotion Organisation;

(b) the prospects of Indian Textiles in overseas market; and

(c) the steps taken by Government in this regard ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) Tex-Styles India 2002 organised from 10-13 February 2002 at Pragati Maidan, New Delhi was a success.293 companies participated in the fair of which 71% were repeat participants. The fair attracted more than 9,500 business visitors as against a figure of 8,500 for the previous year. The number of overseas visitors to the fair was 2,250 as against 2,077 for the previous year. Over 600 buying agents representing foreign companies based in India also visited the show. This was a 20% increase from last year`s figure of 500. Overseas buyers came from as many as 75 countries as against last year`s figure of 63 countries.

Business generated at the fair as reported by the participants this year worth Rs.155 crore as against last year`s figure of Rs. 145 crore. There was a significant increase in the number of buyers from some of the major markets like USA, France, Spain, Germany, Italy, Russia, Australia and the Latin American Region.

(b) Prospects of exports of Indian textiles to major markets of the world are quite encouraging. India`s total exports of textiles have increased from US$ 5069.7 million in 1991-92 to US$ 12,097.6 million in 2000-2001, showing an annual growth of 10.15% during the period. Textile exports have increased to most of the major markets including USA, UK, UAE, France, Italy, Japan, Belgium, The Netherland, Canada, Spain, Hong Kong and Russia.However, a declining trend has been noticed in the textile exports since the beginning of the year 2001, which is mainly do to the general slowdown in the economies of some of our major trading partners like the US; increased competition from countries like China, Bangladesh.

(c) Government have also been taking several steps from time to time to strengthen and promote textile exports including readymade garment. Some of the important initiatives are: -

i) The Government has de-reserved the woven segment of readymade garment from the SSI sector.It has also announced the de-reservation of knitted segment in the Budget 2002-03.

ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of this sector so that it can become more competitive in international trade.

iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%.

iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with certain exceptions.

vi) Reduction in the cost of machinery through fiscal policy measures announced in the budget 2002-03.

vii) Technology Mission for Cotton has been launched for initiating focussed steps for boosting production, productivity and quality of cotton for manufacture and export of competitive downstream textile products.

viii) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

ix) The import of a large number of garment machinery has been allowed under concessional custom duty.

x) To prepare and sensitise our textile and garment industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.

xi) The National Textile Policy - 2000 (NTxP-2000) has been announced to provide the policy direction for orderly and sustained development and growth of the textile industry in a harmonious way and to give a thrust to textile exports.